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# Message Text

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M:GKIRK (INFO)
----------124487 171608Z /44
O 171545Z AUG 78
FM SECSTATE WASHDC
TO AMEMBASSY SANTO DOMINGO IMMEDIATE

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FOR USDEL - GINSBERG FROM KENNEDY

E.O. 11652: N/A

TAGS:OVIP

SUBJECT:PRESS CLIPPINGS
1. WASHINGTON POST, THURSDAY, PAGE A-18: DOMINICAN
TAKES OFFICE IN RARE PEACEFUL TRANSFER.
ANTONIO GUZMAN, A 67-YEAR-OLD CATTLE FARMER, EXPORTER AND
LONGTIME MEMBER OF THE POLITICAL OPPOSITION, WAS INAUGURATED
YESTERDAY AS PRESIDENT IN THE FIRST PEACEFUL TRANSFER OF
POWER BETWEEN CONSTITUTIONALLY ELECTED GOVERNMENTS HERE IN
100 YEARS.//
WHILE THOUSANDS CHEERED OUTSIDE THE CONGRESSIONAL PALACE,
GUZMAN PROMISED IN HIS INAUGURAL SPEECH TO BRING"A TRUE
INSTITUTIONALITY" TO DOMINICAN DEMOCRACY IN A "CLIMATE
OF NATIONAL AGREEMENT." LATER HE REPLACED MOST F
OF THE HIGH-LEVEL MILITARY COMMAND HELD RESPONSIBLE
FOR AN ATTEMPT TO OVERTHROW THE RESULTS OF THE GENERAL
ELECTIONS LAST MAY.//
GUZMAN WAS BOLSTERED BY THE PRESENCE OF SECRETARY OF STATE
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CYRUS VANCE AND A LARGE U.S. DELEGATION, CLEARLY INTENDED
BY BOTH BUZMAN AND THE CARTER ADMINISTRATION AS A MESSAGE
OF SUPPORT AGAINST ANY SORE LOSERS IN THE TURBULENT LOCAL
POLITICAL SCENE.//
IN THE MIDST OF A PRIVATE LUNCH WITH VANCE AND OTHER U.S.
OFFICIALS AT THE PRESIDENTIAL PALACE BARELY FOUR HOURS
AFTER THE INAUGURAL CEREMONY, GUZMAN BROKE OFF BRIEFLY

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TO ANNOUNCE AND QUICKLY SWEAR IN A NEW DEFENSE SECRETARY

AND NEW HEADS OF THE NAVY AND AIR FORCE, AS WELL AS A NEW COMMANDER FOR THE POWERFUL 1ST ARMY BRIGADE, WHICH IS BASED JUST OUTSIDE THE CAPITAL. THE ARMY COMMANDER, GEN. ENRIQUE PEREZ Y PEREZ, APPARENTLY WILL REMAIN IN HIS POST.//
THE MAY ATTEMPT TO RETAIN THE PRESIDENCY FOR 12-YEAR INCUMBENT JOAQUIN BALAGUER FAILED FOLLOWING STRONG DOMESTIC REACTION AN PRESSURE FROM THE UNITED STATES, VENEZUELA AND OTHER GOVERNMENTS TO RESPECT GUZMAN'S ELECTORAL VICTORY OVER BALAGUER.//
WHILE GUZMAN GENERALLY KEPT QUIET DURING THE PAST THREE MONTHS WHILE BALAGUER'S REFORMIST PARTY MADE CONTINUED ATTEMPTS TO IMPEDE THE TRANSITION OF POWER, THE NEW PRESI-DENT SHARPLY CRITICIZED BALAGUER YESTERDAY.//
DURING THE PAST SEVERAL MONTHS, GUZMAN TOLD THE PACKED CONGRESSIONAL ASSEMBLY ROOM, "THE PEOPLE HAVE HAD THE OPPORTUNITY TO WITNESS HOW THE GOVERNMENT PARTY CONDUCTED ITSELF WITHOUT SCRUPLES." HE ACCUSED THE BALAGUER GOVERNMENT OF CORRUPTION AND NEGLECT AND CHARGED THAT "IN RECENT YEARS WE HAVE LIVED IN A SERIOUS MORAL AND INSTITUTIONAL CRISIS."//
WHILE BALAGUER SAT EXPRESSIONLESS NEXT TO HIS SUCCESSOR DURING THE CEREMONY, GUZMAN DESCRIBED WHAT HE TERMED NEGLECT OF THE STATE INDUSTRIES THAT PROVIDE MOST OF THE
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ISLAND REPUBLIC'S INCOME AND CRITICIZED A SYSTEM OF POLIT-ICAL AND MILITARY CORRUPTION LONG ADMITTED TO EXIST BY BALAGUER BUT FOR WHICH HE REFUSED TO TAKE PERSONAL RESPONSIBILITY.//
ALTHOUGH GUZMAN NAY MAKE INROADS INTO CORRUPTION THROUGH THE APPOINTMENT OF A NEW CABINET AND NEW MILITARY COMMANDERS, HE IS LIKELY TO HAVE SUBSTANTIAL TROUBLE GETTING THE COUNTRY BACK ON ITS FEET ECONOMICALLY.//
BECAUSE OF DEPRESSED PRICES FOR SUGAR, NICKEL AND,INCREAS-INGLY, COFFEE - THE COUNTRY'S MAIN EXPORTS - GUZMAN TAK OFFICE WITH $L BILLION DEBT AND A BALANCE OF PAYMENTS DEFICIT NEARLY HALF AS LARGE.//
INFLATION LAST YEAR TOPPED 16 PERCENT AND UNEMPLOYMENT IN SOME AREAS EXCEEDS 40 PERCENT.//
WHILE OFFICIALS FROM GUZMAN'S DOMINICAN REVOLUTIONARY PARTY SAID THEY HAVE RECEIVED OFFERS OF ECONOMIC HELP FROM VENEZUELA AND WEST GERMANY, AMONG OTHERS, THEY HAVE TURNED HTEIR MOST EXPECTANT FACE, IN TERMS OF BOTH ECONOMIC AND POLITICAL SECURITY, TOWARD THE UNITED STATES.
//
GUZMAN'S PARTY AND THE UNITED STATES ARE SEEMINGLY STRANGE BEDFELLOWS FOR SEVERAL REASONS. FOR 12 YEARS,

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SINCE THE END OF A BLOODY CIVIL WAR HERE AND THE PULLOUT

OF OCCUPYING AMERICAN TROOPS, THE UNITED STATES WAS ONE
OF THE BALAGUER'S STRONGEST SUPPORTERS AS HE WON REELECTION
AMID CHARGES OF HARASSMENT AND FRAUD.//
U.S. ECONOMIC AND POLITICAL DOMINANCE CONTINUED AS
BALAGUER PROVED BOTH A LOYAL FRIEND AND A STAUNCH
AND UNTROUBLESOME ALLY.//
ALTHOUGH THE CARTER ADMINISTRATION INDICATED ITS WILLING-
NESS TO CONTINUE WITH BALAGUER, IT TURNED DECISIVELY
AGAINST HIM DURING THE ELECTORAL CONFLICT LAST MAY WHEN
THE MILITARY BRIEFLY HALTED THE VOTE COUNT. SINCE THEN,
UNDER A BANNER OF PROMOTION OF LATIN AMERICAN DEMOCRACY
AND POLITICAL FREEDOM, IT HAS ADVISED AND GIVEN SUBSTANTIAL
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MORAL SUPPORT TO GUZMAN AND HIS PARTY.//
THAT SUPPORT HAS FLOWED UNABATED DESPITE SOME OF THE
REVOLUTIONARY PARTY'S MORE MILITANTLY SOCIALIST POSITIONS
AND DENUNCIATIONS OF BIG POWER INTERVENTIONISM.//
IN A PRE-INAUGURAL "ACT OF POLITICAL SOLIDARITY" HELD BY
THE PARTY TUESDAY, DELEGATES OF SOCIALIST
DEMOCRATIC PARTIES FROM THROUGHOUT EUROPE, LATIN AMERICA
AND EVEN FROM JAPAN VOWED TO SUPPORT THE NEW GOVERNMENT
AND DESCRIBED ITS VICTORY AS ONE THAT WILL HAVE REPERCUSS-
IONS "FAR BEYOND THE BORDERS OF THE DOMINICAN REPUBLIC."//
GUZMAN, HOWEVER, HAS COME ACROSS AS MODERATE
COMPARED TO OTHER MORE VOCAL MEMBERS OF HIS PARTY.
WHILE HE HAS OUTLINED INCREASED RESTRICTIONS FOR MULTI-
NATIONAL COMPANIES INTENDING TO COME HERE IN THE FUTURE,
HE HAS PROMISED TO RESPECT EXISTING CONTRACTS. HE HAS ALSO
VOWED TO CONTINUE BALAGUER'S CONSERVATIVE FOREIGN POLICY.//
MOST NOTICEABLY, GUZMAN HAS GONE OUT OF HIS WAY TO PUBLI-
CIZE HIS CLOSE RELATIONSHIP WITH THE UNITED STATES. WHILE
IT IS STILL UNCLEAR WHETHER THE CARTER GOVERNMENT
WOULD BE WILLING TO OFFER MILITARY SUPPORT TO GUZMAN
SHOULD DOMESTIC POLITICAL AND MILITARY DISSIDENTS ATTEMPT
TO OUST HIM, THE PAST WEEK HAS BEEN FILLED WITH UNSUBTLE
HINTS OF EXACTLY THAT.//
GEN. DENNIS MCAULIFFE, COMMANDER OF THE U.S. SOUTHERN COM-
MAND IN PANAMA, FORMED PART OF THE DELEGATION TO THE
INAUGURATION AND HELD HIS OWN MEETING WITH GUZMAN TUESDAY.
THAT MEETING TOOK DIPLOMATIC PRECEDENCE EVEN OVER THE
NORMAL PROTOCOL CONSIDERATIONS GIVEN AMBASSADOR TO THE
UNITED NATIONS ANDREW YOUNG, WHO HEADED THE DELEGATION
UNTIL VANCE ARRIVED YESTERDAY FOR A ONE-DAY STOP.//
SO FAR, HOWEVER, U.S. SUPPORT HAS BEEN PRIMARILY
SYMBOLIC. WITH A TRIMMED FOREIGN AID BILL STILL
MVOING THROUGH CONGRESS AND WITH REQUESTS FOR INCREASED
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ASSISTANCE ABROAD FAR OUTWEIGHING PROBABLE RESOURCES, THE
UNITED STATES IS UNLIKELY TO PROVIDE IMMEDIATE HELP
FOR THE PRESSING ECONOMIC PROBLEMS THAT MAY DETERMINE THE

SUCCESS OR FAILURE OF THE GUZMAN GOVERNMENT.
VANCE

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# Message Attributes

**Automatic Decaptioning:** X
**Capture Date:** 01 jan 1994
**Channel Indicators:** n/a
**Current Classification:** UNCLASSIFIED
**Concepts:** PRESS COMMENTS, INAUGURATION, MINISTERIAL VISITS
**Control Number:** n/a
**Copy:** SINGLE
**Draft Date:** 17 aug 1978
**Decaption Date:** 01 jan 1960
**Decaption Note:**
**Disposition Action:** n/a
**Disposition Approved on Date:**
**Disposition Case Number:** n/a
**Disposition Comment:**
**Disposition Date:** 01 jan 1960
**Disposition Event:**
**Disposition History:** n/a
**Disposition Reason:**
**Disposition Remarks:**
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**Enclosure:** n/a
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**Expiration:**
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**Subject:** PRESS CLIPPINGS
**TAGS:** OVIP, PDIP, SOPN, DR, US, (VANCE, CYRUS R), (GUZMAN FERNANDEZ, ANTONIO)
**To:** SANTO DOMINGO
**Type:** TE
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